



VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

INDUSTRIAL DEVELOPMENT BOND PROGRAM

Application Instructions

1. A 2004 calendar of public hearing dates, publication dates (see item 2 below), and application cut-off dates is attached to these instructions.
2. Public Notice of the public hearing to be held by the Virginia Small Business Financing Authority (VSBFA) must be published by the Applicant in the legal notice section of a newspaper of general circulation in the jurisdiction in which the facility to be financed is or will be located. The Notice should appear once a week for two successive weeks, with the second publication of notice occurring no less than six (6) days nor more than twenty-one (21) days prior to the date of VSBFA's public hearing (see calendar). The form of public notice is included in these instructions for your convenience. **The completed notice should be reviewed by VSBFA prior to submission to the newspaper.**

A certified affidavit from the newspaper of publication of the Notice must be presented to VSBFA prior to or at the public hearing for which publication was made.
3. The Applicant must deliver to VSBFA **one original and one (1) copy** of the application including all required attachments (see next page), AND **a non-refundable application fee of \$1,000.00**. VSBFA's address is Virginia Small Business Financing Authority, 707 East Main Street, Suite 300, Richmond, VA 23219 or Post Office Box 446, Richmond, VA 23218-0446.
4. If this is a refunding, there is a fee of \$50.00 per \$100,000.00 of the amount refunded.
5. If you have any questions after reviewing the Application, please call or write to VSBFA at the above address or contact our office at 804-371-8254.

REQUIRED ATTACHMENTS

THIS APPLICATION WILL NOT BE CONSIDERED COMPLETE UNLESS THE FOLLOWING ITEMS ARE SUBMITTED WITH THE APPLICATION FORM (ORIGINAL AND 1 COPY).

- A. Cover Letter - Please enclose a letter which includes (1) a brief history and description of the applicant's business; (2) a description of the project to be undertaken; and (3) the benefits the community will receive if the tax-exempt financing is approved.
- B. Fiscal Impact Statement - See Exhibit I of Application.
- C. Copy of commitment letter from financial institution, if available.
- D. Copy of public hearing notice.

PLEASE CONTACT VSBFA IF YOU HAVE ANY QUESTIONS AS TO WHAT FINANCIAL INFORMATION IS REQUIRED TO BE SUBMITTED WITH THE APPLICATION.

VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

PUBLIC HEARING DATES

Contact VSBFA at (804) 371-8254 for time and location of VSBFA Public Hearing

<u>Date of Public Hearing</u>	<u>Latest Date Application must be Received by VSBFA</u>	<u>Latest Date for First Publication</u>	<u>Latest Date for Second Publication</u>
January 21, 2004	12/31/2003	01/17/2004	01/14/2004
February 18, 2004	01/28/2004	02/04/2004	02/11/2004
March 17, 2004	02/25/2004	03/03/2004	03/10/2004
April 21, 2004	03/31/2004	04/07/2004	04/14/2004
May 19, 2004	04/28/2004	05/05/2004	05/12/2004
June 16, 2004	05/26/2004	06/02/2004	06/09/2004
July 21, 2004	06/30/2004	07/07/2004	07/14/2004
August 18, 2004	07/28/2004	08/04/2004	08/11/2004
September 15, 2004	08/25/2004	09/01/2004	09/08/2004
October 20, 2004	9/29/2004	10/06/2004	10/13/2004
November 17, 2004	10/27/2004	11/03/2004	11/10/2004
December 15, 2004	11/24/2004	12/01/2004	12/08/2004

**APPLICATION FOR A RESOLUTION OF INDUCEMENT
FROM THE VIRGINIA SMALL BUSINESS FINANCING AUTHORITY
FOR THE ISSUANCE OF INDUSTRIAL DEVELOPMENT BOND**

NAME OF APPLICANT(S)	DATE SUBMITTED
LOCATION OF PROJECT (COUNTY OR CITY)	MAXIMUM AMOUNT OF BONDS REQUESTED

APPLICATION

The information requested in this application is necessary to process a request for assistance. Please complete all the blanks, using "NONE" or "NOT APPLICABLE" where necessary. In all cases, if the applicant (project owner) is different from the project user, information should be provided on both entities. If more space is needed to answer any specific question, use a separate sheet of paper.

Does the applicant, including any parent or subsidiary corporation or affiliated entity, in Virginia have:

- (1) 250 or less employees? Yes _____ No _____
Please state number of full time employees: _____
- (2) Less than \$10,000,000 in annual gross revenues over each of the last three (3) fiscal years?
Yes _____ No _____
Please state annual gross revenues over each of the last three fiscal years:
2003 \$ _____ 2002 \$ _____ 2001 \$ _____
- (3) Less than \$2,000,000 in net worth? Yes _____ No _____
Please state net worth: \$ _____

Has the applicant requested an inducement resolution for industrial development bond financing for the project described in this application from a local Industrial Development Authority? Yes ___ No ___

If yes, was an inducement resolution approved? Yes ___ No ___

Please state the amount of bonds approved: \$ _____

Has the applicant requested allocation through a local Industrial Development Authority? Yes ___ No ___

Please explain status, date, and amount of allocation, if any:

I PROJECT APPLICANT (proposed owner of the project)

A. Applicant's Legal Name: _____

P. O./Street Address: _____

City/State/Zip: _____

Telephone Number: _____

Contact Person: _____

Federal Tax ID#: _____

B. Names of Principals: _____

C. Brief history and description of business:

D. Organizational Structure:

1 Corporation (type) _____ Partnership (type) _____ Sole Proprietorship _____

2. Date and State of Incorporation or Formation: _____

3. Is the proposed project owner, and/or user, a subsidiary or direct or indirect affiliate of any other organization? If so, indicate name of related organization and relationship:

E. If the answer to any of the following three questions is "yes", please furnish details in a separate attachment.

1. Have any of the owners or management of applicant ever been charged with, or convicted of, any criminal offense other than a minor motor vehicle violation? _____

2. Has the applicant, or any of the owners or management of applicant been informed of any current or on-going investigation of the applicant with respect to possible violations of state or federal securities laws? _____

3. Has the applicant, or any of the owners or management of applicant or any concern with which the applicant or any owner or management member been connected, been in receivership or adjudicated as bankrupt? _____

F. Please list each occupant of the facility to be financed:

II. PROJECT REPRESENTATIVES

Contact Person, Company Name, Complete Address (including zip code), Telephone Number:

A. Applicant's Attorney:

Phone

e-mail

B. Applicant's Bond Counsel:

Phone

e-mail

C. Applicant's Regular Bank
or Lending Institution:

D. Probable Lender/
Guarantor or Underwriter
for this Project:

III. PROJECT SUMMARY

A. Please provide a brief narrative description of the project to be financed (including square footage, type of facility, products produced, if any, etc.):

Note: If the project involves purchase of equipment only, please complete Items A and F only. If project also includes acquisition of real estate and/or construction, complete all items.

B. Location of Proposed Project

1. Street Address:

2. City, County or Town:

3. Name, Complete Address, and Telephone Number of Clerk of Local Governing Body (i.e., Council [for cities and towns] or Board of Supervisors [for counties]):

Name:

Address:

Telephone: () _____

C. Zoning and infrastructure:

1. Do proposed uses of project comply with all governmental zoning and subdivision regulations?
Yes or no? _____ If no, explain action to be taken to comply. _____

IV. PROJECT COSTS

State the costs reasonably necessary for the completion of the proposed project, together with any machinery and equipment to be acquired in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land (Purchase)	\$ _____
Buildings (Purchase)	\$ _____
Buildings (Construction)	\$ _____
Buildings (Renovations)	\$ _____
Equipment, machinery	\$ _____
Utilities, roads and appurtenant facilities	\$ _____
Engineering and/or Architectural fees	\$ _____
Legal fees	\$ _____
Financial charges	\$ _____
Other (Specify)	\$ _____
TOTAL PROJECT COST	\$ _____
Less: Equity contribution, if any	\$ _____
Other sources of funding (specify)	\$ _____
TOTAL BOND FINANCING REQUESTED	\$ _____

V. ANTICIPATED BENEFIT TO THE COMMONWEALTH

A. Indicate facts which would support VSBFA in determining that the project would:

1. Tend to maintain, diversify or expand employment opportunities within Virginia:
2. Aid, assist and encourage economic development in Virginia:

B. Employment Impact:

Indicate below the number of people presently employed at the site of the project (or current employees who will be relocating to the project site) and the number that will be employed at the site at the end of the first and second years after the project has been completed (do not include construction workers).

Present employment _____ Year 1 _____ Year 2 _____

C. State other potential economic, social or non-monetary benefits which will accrue to the citizens of the Commonwealth of Virginia.

VI. The following questions are for statistical purposes only and your response is purely voluntary.

Please indicate the following:

Gender of majority owner(s) _____ (male or female)

Race _____
(White, Asian, Black, Hawaiian or Pacific Islander, Native American, Other)

Hispanic _____ (yes or no)

VII. CERTIFICATE OF APPLICATION

PLEASE NOTE: The VSBFA reserves the right to request additional information as it deems necessary in its sole discretion. Eligibility for financial assistance from VSBFA is determined by the information presented in this Application and in the required attachments and other materials as requested. Any changes in the status of the proposed project from the facts presented herein could disqualify the project, including, but not limited to, the commencement of construction or the acquisition of assets such as land or equipment.

Please contact VSBFA before taking any action which would change the status of the project as reported herein.

Applicant

By: _____

Date

Title _____
Date

**AGREEMENT TO PAY VIRGINIA SMALL BUSINESS
FINANCING AUTHORITY'S COSTS AND EXPENSES and FEES**

To induce the Virginia Small Business Financing Authority to consider this Application and to adopt an inducement resolution agreeing to assist Applicant in the financing of the project, Applicant, by submitting this Application to the Virginia Small Business Financing Authority, agrees:

1. To pay all costs and expenses of the Virginia Small Business Financing Authority and its counsel, financial advisors and program managers in connection with the processing, authorization, issuance and sale of the bonds contemplated by this Application; either from the proceeds of the bonds which may be approved for the project by the Virginia Small Business Financing Authority, or in the event such financing is not approved or forthcoming, or if such costs are unable to be financed in the bond issue for legal or other reasons, the Applicant agrees to pay all costs from its own resources.
2. To advise the Virginia Small Business Financing Authority in writing of any material change to the information contained in this Application.
3. To provide, after successfully closing on the bond issue, one bound copy of the bond issue transcript for the Virginia Small Business Financing Authority's files.
4. **To pay an issuance fee of one-quarter of one percent (1/4 of 1%) at closing and to pay to the Virginia Small Business Financing Authority on each anniversary date of the closing of the bond issue a fee equal to one-eighth of one percent (1/8 of 1%) of the then outstanding principal amount of the bonds. Applicant must submit a statement evidencing the principal balance due under the bond with a payment for the fees on the anniversary date of the bond issue.**

The aforementioned fees are a debt to the Commonwealth of Virginia. Failure to pay the fees when due will result in legal action and the VSBFA will exercise all rights given to it under the Set-Off Debt Collection Program as authorized under the Virginia Debt Collection Act and the account will be turned over to the Commonwealth's Office of Attorney General for collection and legal action.

The Applicant agrees that the Virginia Small Business Financing Authority shall not be liable to the Applicant for any damages, direct or consequential, resulting from the failure of the Virginia Small Business Financing Authority to issue industrial development bonds for the Applicant's project for any reason, including, but not limited to, any decision by the Virginia Small Business Financing Authority in its sole discretion to allocate its allowable volume of industrial development bonds to other applicants.

The Applicant further represents that it understands the conditions of this Application, that there is no guarantee of approval, and that all statements and information furnished with this Application or on supporting papers are true and correct to its best knowledge and belief.

IN WITNESS WHEREOF, the undersigned, being duly authorized to do so, have/has signed this Application.

Applicant
By:_____

Date

Title_____

Sworn and subscribed before me this _____ day of _____ 20____.

My commission expires: / / _____

EXHIBIT I

FISCAL IMPACT STATEMENT FOR PROPOSED INDUSTRIAL DEVELOPMENT BOND FINANCING

TO: The Virginia Small Business Financing Authority

(Name of Applicant)

(Facility)

(Date)

1. Maximum amount of financing sought. \$ _____
2. Estimated current taxable value of the facility's real property in the municipality in which it is located. \$ _____
3. Estimated taxable value of the facility's real property once constructed or expanded. \$ _____
4. Estimated real property tax per year using present tax rates on the facility's real property once constructed or expanded. \$ _____
5. Estimated personal property tax per year from property to be located in expanded or constructed facility using present tax rates. \$ _____
6. Estimated merchants' capital tax per year from property to be located in, expanded or constructed facility using present tax rates. (This is a local tax. Check with the locality for information.) \$ _____
7. Estimated dollar value of goods and services that will be purchased in the Commonwealth during construction or expansion of the facility. \$ _____
8. Estimated dollar value per year of goods and services that will be purchased in the Commonwealth for the operation of the facility. \$ _____
9. Estimated dollar value per year of goods and services that will be produced and sold from the facility. \$ _____
10. Estimated number of employees during construction or expansion. # _____
11. Estimated number of regular employees on a year-round basis during operation. # _____
12. Average annual salary per regular employee during operation of the facility. \$ _____

If any of the above answers do not apply to the project, indicate this by writing N/A (not applicable) on the appropriate line.